

Alabama Medicaid Agency



Medicaid Information Technology Architecture (MITA) 3.0 State Self-Assessment

Alabama Medicaid MITA Roadmap

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Table of Contents

I.	Report Overview	4
A.	Alabama Roadmap Development Approach	5
II.	Statement of Goals and Objectives	10
A.	Medicaid Mission and Goals	10
B.	MITA Mission, Goals, and Objectives	10
C.	Mission, Vision, and Values of the Alabama State Medicaid Agency.....	11
D.	Alabama Medicaid Transformation	12
E.	Alabama Medicaid Regulatory Compliance	14
F.	Alabama Medicaid Goals and Objectives	15
III.	Project Management Plan	17
A.	Alabama Project Management Office	17
B.	Current MITA Enabling Projects.....	17
C.	Proposed MITA Enabling Projects and Procurement Activities.....	19
IV.	Proposed Project Budget	24
V.	Alabama Medicaid MITA 3.0 and Advanced Planning Document Support	26

Figures

Figure 1 - Projected Timeline for AMA MITA Projects.....	21
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Tables

Table 1 - CMS Defined Roadmap Assumptions & Goals.....	5
Table 2 - Business Architecture Profile	8
Table 3 - Information Architecture Profile.....	8
Table 4 - Technical Architecture Profile.....	8
Table 5 - Seven Conditions and Standards Profile	9
Table 6 - Medicaid Mission and Goals	10
Table 7 - MITA Mission and Goals.....	11
Table 8 - Alabama Medicaid Mission, Vision, and Values	11
Table 9 - Alabama Medicaid Statement of Values.....	12
Table 10 - AMA MITA Improvements	14
Table 11 - CMS Defined Goals and Objectives with Key Alabama Projects.....	16
Table 12 AMA Estimated Project Budgets	25

I. Report Overview

The following document presents the five (5) year MITA Roadmap for the Alabama Medicaid Agency (AMA). As defined per the *MITA 3.0 State Self-Assessment Companion Guide*, the Centers for Medicare and Medicaid Services (CMS) “...expects all States to prepare and submit a MITA Roadmap. CMS expects the state to complete and continue to make measurable progress in implementing its MITA roadmap.” The AMA MITA Roadmap, conforms to the CMS provided Roadmap Checklist, and is broadly organized into the following three (3) sections:

- Statement of Goals and Objectives
- Project Management Plan
- Proposed Project Budget

Further, the AMA MITA Roadmap incorporates the following CMS defined assumptions and goals as part of overall strategic planning efforts:

CMS Defined Roadmap Assumptions and Goals

Customers should experience a high level of service, support, and ease of use, similar to that experienced by customers of leading service and retail companies and organizations doing business in the United States. States should aim to provide the same customer experience to all individuals seeking coverage, regardless of source or amount of financial assistance for which they may qualify or whether they enter the process through the Exchange, Medicaid, or Children’s Health Insurance Program (CHIP). States should aim to replicate this customer experience with other stakeholders and business partners, including plans, employers, and Navigators.

States should make it easy for individuals to explore information on their health coverage options, and should quickly and accurately enroll individuals into coverage. For most people, this routing and enrollment in the Exchange, Medicaid, or CHIP will happen in real time. Some people may experience discrepancies between the information they provide and the information obtained through authoritative sources, which affects their eligibility. For those individuals, the Affordable Care Act requires a timely and responsive resolution process. Other individuals may seek a specific determination by Medicaid (because of disability, for example) that may require more information and processing time.

Most individuals are evaluated for eligibility in the Exchange, tax credits, Medicaid, and CHIP using a coordinated set of rules. As a result, we expect the use of a common or shared eligibility system or service to adjudicate placement for most individuals. Integration of systems, programs, and administration will limit duplication of costs, processes, data, and effort on the part of either the state or the beneficiary. Such integration will support Exchanges as they execute responsibilities for Medicaid and CHIP eligibility determinations under the Affordable Care Act and Medicaid and CHIP agencies that interact with Exchange-eligible individuals.

States should not assume they will have to operate a “shadow eligibility system” for the purpose of claiming appropriate match for Medicaid individuals based on whether they were eligible under state rules in effect prior to 2014 or are “newly eligible.” Federal rulemaking will propose other methods for managing appropriate accounting between the federal and state governments.

A federal data services hub will support certain functions and responsibilities of the Exchange, Medicaid, and CHIP.

IT systems should be able to generate data in support of performance management, public transparency, policy analysis, program integrity, and program evaluation.

Table 1 CMS Defined Roadmap Assumptions & Goals

A. Alabama Roadmap Development Approach

HealthTech Solutions, LLC (HTS) assisted AMA in completing the MITA 3.0 State Self-Assessment (SS-A) as required by 42 CFR Part 433 and CMS for enhanced funding. To facilitate completion of the SS-A, HTS and AMA Subject Matter Experts (SMEs) were engaged to document both “As-Is” and “To-Be” capabilities throughout the Alabama Medicaid Enterprise. To create the AMA MITA Roadmap, HTS made recommendations for improvements in organizational change management, technical change management, and process improvement to enable increased maturity within the CMS defined MITA Maturity Model. HTS presented recommendations with AMA stakeholders based on the AMA’s desire to comply with the MITA Seven Conditions and Standards (Seven Conditions) as defined by CMS. Both AMA and HTS worked to estimate, plan, and prioritize the projects and efforts identified within the AMA MITA Roadmap. The sequencing of efforts within MITA Enabling and Procurement Activities was developed to ensure consideration of cost, benefit, schedule, and risk.

The following charts summarize both the “As-Is” and “To-Be” scores for each MITA Architecture within the MITA 3.0 framework:

Alabama Medicaid Business Architecture Profile MITA 3.0					
Business Relationship Management	Level 1	Level 2	Level 3	Level 4	Level 5
BR01 Establish Business Relationship	As-Is	To-Be			
BR02 Manage Business Relationship Communication		As-Is	To-Be		
BR03 Manage Business Relationship Information		As-Is	To-Be		
BR04 Terminate Business Relationship	As-Is	To-Be			
Care Management					
CM01 Establish Case	As-Is	To-Be			
CM02 Manage Case Information	As-Is	To-Be			
CM03 Manage Population Health Outreach		As-Is	To-Be		
CM04 Manage Registry	As-Is	To-Be			
CM05 Perform Screening and Assessment		As-Is	To-Be		
CM06 Manage Treatment Plan and Outcomes	As-Is	To-Be			
CM07 Authorize Referral		As-Is	To-Be		
CM08 Authorize Service		As-Is	To-Be		
CM09 Authorize Treatment Plan	As-Is	To-Be			
Contractor Management					
CO01 Manage Contractor Information	As-Is	To-Be			
CO04 Inquire Contractor Information	As-Is	To-Be			
CO02 Manage Contractor Communication	As-Is	To-Be			
CO03 Perform Contractor Outreach		As-Is	To-Be		
CO09 Manage Contractor Grievance and Appeal	As-Is	To-Be			
CO05 Produce Solicitation		As-Is	To-Be		
CO06 Award Contract	As-Is	To-Be			
CO07 Manage Contract		As-Is	To-Be		
CO08 Close Out Contract	As-Is	To-Be			
Eligibility and Enrollment Management					
EE01 Determine Member Eligibility		As-Is	To-Be		
EE02 Enroll Member		As-Is	To-Be		
EE03 Dis-enroll Member	As-Is	To-Be			
EE04 Inquire Member Eligibility		As-Is	To-Be		
EE05 Determine Provider Eligibility		As-Is	To-Be		
EE06 Enroll Provider		As-Is	To-Be		
EE07 Dis-enroll Provider		As-Is	To-Be		
EE08 Inquire Provider Information	As-Is	To-Be			
Financial Management					
FM01 Manage Provider Recoupment		As-Is	To-Be		
FM02 Manage TPL Recovery	As-Is	To-Be			
FM03 Manage Estate Recovery	As-Is	To-Be			
FM04 Manage Drug Rebate		As-Is	To-Be		
FM05 Manage Cost Settlement	As-Is	To-Be			

FM06 Manage Accounts Receivable Information	As-Is	To-Be			
FM07 Manage Accounts Receivable Funds		As-Is	To-Be		
FM08 Prepare Member Premium Invoice (not performed in Alabama)					
FM09 Manage Contractor Payment	As-Is	To-Be			
FM10 Manage Member Financial Participation	As-Is	To-Be			
FM11 Manage Capitation Payment	As-Is		To-Be		
FM12 Manage Incentive Payment		As-Is	To-Be		
FM13 Manage Accounts Payable Information	As-Is	To-Be			
FM14 Manage Accounts Payable Disbursement	As-Is	To-Be			
FM15 Manage 1099		As-Is	To-Be		
FM16 Formulate Budget	As-Is	To-Be			
FM17 Manage Budget Information	As-Is	To-Be			
FM18 Manage Fund		As-Is	To-Be		
FM19 Generate Financial Report	As-Is	To-Be			
Member Management					
ME01 Manage Member Information		As-Is	To-Be		
ME02 Manage Applicant and Member Communication		As-Is	To-Be		
ME08 Manage Member Grievance and Appeal	As-Is	To-Be			
ME03 Perform Population and Member Outreach		As-Is	To-Be		
Operations Management					
OM14 Generate Remittance Advice		As-Is	To-Be		
OM18 Inquire Payment Status		As-Is	To-Be		
OM27 Prepare Provider Payment		As-Is	To-Be		
OM28 Manage Data		As-Is	To-Be		
OM07 Process Claim		As-Is	To-Be		
OM29 Process Encounter		As-Is	To-Be		
OM20 Calculate Spend Down Amount (not performed in Alabama)					
OM04 Submit Electronic Attachment	As-Is	To-Be			
OM05 Apply Mass Adjustment		As-Is	To-Be		
Performance Management					
PE01 Identify Utilization Anomalies	As-Is	To-Be			
PE02 Establish Compliance Incident	As-Is	To-Be			
PE03 Manage Compliance Incident Information		As-Is	To-Be		
PE04 Determine Adverse Action Incident	As-Is	To-Be			
PE05 Prepare REOMB	As-Is	To-Be			
Plan Management					
PL01 Develop Agency Goals and Objectives	As-Is	To-Be			
PL02 Maintain Program Policy	As-Is	To-Be			
PL03 Maintain State Plan	As-Is	To-Be			
PL04 Manage Health Plan Information		As-Is	To-Be		
PL05 Manage Performance Measures	As-Is	To-Be			
PL06 Manage Health Benefit Information	As-Is	To-Be			

PL07 Manage Reference Information	As-Is	To-Be			
PL08 Manage Rate Setting	As-Is	To-Be			
Provider Management					
PM01 Manage Provider Information	As-Is	To-Be			
PM08 Terminate Provider	As-Is	To-Be			
PM02 Manage Provider Communication	As-Is	To-Be			
PM07 Manage Provider Grievance and Appeal	As-Is	To-Be			
PM03 Perform Provider Outreach	As-Is	To-Be			

Table 2 Business Architecture Profile

Alabama Medicaid Information Architecture Profile MITA 3.0					
MITA 3.0 Business Area	Level 1	Level 2	Level 3	Level 4	Level 5
Business Relationship Management	As-Is	To-Be			
Care Management	As-Is	To-Be			
Contractor Management	As-Is	To-Be			
Eligibility & Enrollment	As-Is	To-Be			
Financial Management	As-Is	To-Be			
Member Management	As-Is	To-Be			
Operations Management	As-Is	To-Be			
Performance Management	As-Is	To-Be			
Plan Management	As-Is	To-Be			
Provider Management		As-Is	To-Be		

Table 3 Information Architecture Profile

Alabama Medicaid Technical Architecture Profile MITA 3.0					
MITA 3.0 Business Area	Level 1	Level 2	Level 3	Level 4	Level 5
Business Relationship Management	As-Is	To-Be			
Care Management	As-Is	To-Be			
Contractor Management	As-Is	To-Be			
Eligibility & Enrollment	As-Is	To-Be			
Financial Management	As-Is	To-Be			
Member Management	As-Is	To-Be			
Operations Management	As-Is	To-Be			
Performance Management	As-Is	To-Be			
Plan Management	As-Is	To-Be			
Provider Management	As-Is	To-Be			

Table 4 Technical Architecture Profile

Alabama Medicaid Seven Conditions and Standards Profile MITA 3.0 (All Areas)					
MITA 3.0 Standard/Condition	Level 1	Level 2	Level 3	Level 4	Level 5
Modularity Standard	As-Is	To-Be			
MITA Condition		As-Is	To-Be		
Industry Standards Condition		As-Is	To-Be		
Leverage Condition	As-Is	To-Be			
Business Results Condition	As-Is	To-Be			
Reporting Condition	As-Is	To-Be			
Interoperability Condition	As-Is	To-Be			

Table 5 Seven Conditions and Standards Profile

II. Statement of Goals and Objectives

The following section provides context for the purposes of Medicaid, MITA, and the AMA. Included is a vision for the AMA MITA Roadmap which encompasses needs, objectives, and anticipated benefits. The section defines AMA Medicaid transformation, compliance with federal regulations, and helps to identify specific goals and objectives in accordance with the MITA framework.

A. Medicaid Mission and Goals

Both the MITA framework and initiative are traceable within the Medicaid mission and goals defined by CMS:

CMS Defined Medicaid Mission and Goals	
Medicaid Mission	To provide quality health care to members by providing access to the right services for the right people at the right time for the right cost.
Medicaid Goals	To improve health care outcomes for Medicaid members. To ensure efficient, effective, and economical management of the Medicaid Program.

Table 6 Medicaid Mission and Goals

B. MITA Mission, Goals, and Objectives

CMS further defines MITA as a primary enabler of the Medicaid mission, which contains its own mission, goals, and objectives:

MITA Mission and Goals	
MITA Mission	To establish a national framework of enabling technologies and processes that support improved program administration for the Medicaid Enterprise and for stakeholders dedicated to improving health care outcomes and administrative procedures for Medicaid members.
MITA Goals	<ul style="list-style-type: none"> • Develop seamless and integrated systems that communicate effectively to achieve common Medicaid goals through interoperability and common standards • Promote an environment that supports flexibility, adaptability, and rapid response to changes in programs and technology • Promote an enterprise view that supports enabling technologies aligned with Medicaid business processes and technologies • Provide data that is timely, accurate, usable, and easily accessible in order to support analysis and decision making for health care management and program administration

	<ul style="list-style-type: none"> • Provide performance measurement for accountability and planning • Coordinate with public health and other partners, and integrate health outcomes within the Medicaid community
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Table 7 MITA Mission and Goals

CMS requires states to align with the MITA mission and goals, and to increasingly advance in MITA maturity.

C. Mission, Vision, and Values of the Alabama State Medicaid Agency

The AMA, which began operations on January 1, 1970, is a state and federal program that pays for medical and long term care services for low income pregnant women, children, certain people on Medicare, disabled individuals, and nursing home residents.

Alabama Medicaid Mission, Vision, and Values	
Medicaid Mission	The mission of the Alabama Medicaid Agency is to provide a system of financing health care for eligible Alabamians in accordance with established statutes and Executive Orders.
Medicaid Vision	To play a key leadership role in ensuring availability and access to appropriate health care for all Alabamians.
Medicaid Values	<ul style="list-style-type: none"> • Respect: We are a caring organization that treats each individual with dignity, empathy, and honesty • Integrity: Our stakeholders can depend on the quality, trustworthiness, and reliability of our Agency's employees and representatives • Excellence: We are committed to maximizing our resources to ensure the residents of Alabama have access to quality health care • Teamwork: Our success depends upon establishing and maintaining effective collaborative partnerships • Innovation: We willingly embrace new ideas and new ways of doing things to effectively meet a changing health care environment

Table 8 Alabama Medicaid Mission, Vision, and Values

AMA further articulates their organizational ideals through the following Values Statement:

A Statement of Our Values
We are a <i>CARING</i> organization and treat our employees, recipients, and providers with respect, dignity, honesty, and compassion.
We understand that to be effective, we must be willing to <i>CHANGE</i> . Therefore, we value new ideas, innovation, and positive response to change.
We value <i>INTEGRITY</i> and observe the highest ethical standards and obey all laws and regulations. We pledge to be good stewards of the State's resources entrusted to us.

We are committed to *EXCELLENCE* and the highest standards of quality in all our activities. We are committed to getting better every day in everything we do.

We value *TEAMWORK*. We encourage team accomplishments over the goals of any one individual. We encourage open discussion of issues, but once a decision is made, commitment is expected from everyone. We understand that the success of our organization relies upon the building and maintenance of effective teams.

Table 9 Alabama Medicaid Statement of Values

D. Alabama Medicaid Transformation

AMA currently operates through a fee-for-service model which concentrates on processing between provider and beneficiary/member communities. The AMA To-Be environment is characterized by the implementation of Regional Care Organizations (RCO), data and technical governance, increasing conformance to the MITA framework, and interoperability within a modular technical architecture. The AMA goal is to establish solid data management processes, techniques, and products needed by the Medicaid Enterprise to achieve optimal business and technical performance. AMA will implement enterprise level data governance and management practices. The technical architecture will be characterized by Service Oriented Architecture (SOA) with modular systems and standards for interoperability.

The following list of improvements was identified during the course of the AMA MITA 3.0 SS-A, and includes organizational, technical, and process based improvements which will facilitate higher MITA maturity:

Alabama MITA Improvements		
Improvement Type	To-Be	Outcome
Organizational	<ul style="list-style-type: none"> AMA will increasingly adopt a MITA process orientation 	<ul style="list-style-type: none"> AMA will have increased ability to coordinate process design and technical solutions with other states
Organizational	<ul style="list-style-type: none"> AMA will develop a Key Performance Metrics Program 	<ul style="list-style-type: none"> Ability to track and assess the efficiency and efficacy of AMA processes will be greatly increased
Organizational	<ul style="list-style-type: none"> AMA will implement a Standards Body 	<ul style="list-style-type: none"> AMA will centralize data governance, management of MITA and SOA functions
Organizational	<ul style="list-style-type: none"> AMA will utilize formal business process models 	<ul style="list-style-type: none"> Using lean principles, AMA will develop efficient processes which are based on formal business modeling practices which

		promote interoperability and system modularity
Technical	<ul style="list-style-type: none"> AMA will use SOA as the basis of technical architecture 	<ul style="list-style-type: none"> AMA will emphasize modularity, using commercial-off-the-shelf (COTs) and “cloud first” technologies AMA will utilize an enterprise service bus (ESB) to exchange data between systems AMA will implement a single sign on solution so workers will not need to navigate multiple systems to execute processes
Technical	<ul style="list-style-type: none"> AMA will utilize Master Data Management 	<ul style="list-style-type: none"> Conceptual Data Models and Logical Data Models will be centrally managed and maintained, standardized rules and definitions will ensure reporting accuracy Workers will have a “single source of truth” to access data from throughout the enterprise
Process	<ul style="list-style-type: none"> Document Management Systems will be unified 	<ul style="list-style-type: none"> Paper based activities will be automated Supporting documentation will be centrally managed, stored, and maintained
Process	<ul style="list-style-type: none"> Automated workflows will be implemented 	<ul style="list-style-type: none"> Approval times will be reduced Workers will have a clearer understanding of process steps
Process	<ul style="list-style-type: none"> Portals will be consolidated to provide a single point of entry 	<ul style="list-style-type: none"> Providers, beneficiaries, and other stakeholders will have a single point of entry; user

		experience can potentially be centrally managed <ul style="list-style-type: none"> Enrollment activities will no longer require navigation through multiple systems
Process	<ul style="list-style-type: none"> AMA will seek to automate processes which are currently manual or rely on manual steps to complete activities 	<ul style="list-style-type: none"> Provider, Member, Enrollment, and Care Management activities will be automated with use of a Case Management System CRM solutions will allow workers to perform targeted outreach to execute business processes Financial and Contractor Business Areas will be more automated with use of budget, management, reporting and contract management solutions Performance Management will improve with increased use of analytics and sampling technologies; exception management will become increasingly more important than processing

Table 10 AMA MITA Improvements

The above improvements were identified through analysis of AMA goals and objectives, federal standards and initiatives, MITA based guidance for the Seven Conditions, and industry best practices. The Project Management Plan and Proposed Project Budget sections operationalize these efforts as a series of planned procurements and initiatives.

E. Alabama Medicaid Regulatory Compliance

The following section describes the transformation of Alabama Medicaid in regard to ongoing compliance with 42 CFR Part 433 Medicaid Funding and Federal Funding for Medicaid Eligibility Determination and Enrollment Activities.

As part of the AMA MITA 3.0 SS-A, projects envisioned within the Proposed MITA Enabling Projects and Procurement Activities section of this Roadmap were specifically developed to

promote organizational, technical, and process improvements leading to compliance with the Seven Conditions and also advance maturity for the AMA enterprise.

Roadmap efforts are envisioned along a five year time horizon. Technical improvements emphasize the prioritization of standards based exchange, improvements in data management practices, adoption of Service Oriented Architecture (SOA), and use of a modular architecture for replacement of the Alabama Medicaid Management Information System (AMMIS). Process improvement projects aim to automate those MITA areas and processes which are currently performed using manual and paper based activities, such as the Home and Community Based waivers in Alabama.

In conducting the AMA MITA 3.0 SS-A, Alabama leveraged Business Process Models (BPM) and Concept of Operations (COO) guidance from CMS. Organizational change management improvement projects contained within this Roadmap will expand on the work performed during the SS-A. Alabama specifically envisions adopting an organizational structure which conforms to the MITA functional view of a State Medicaid Agency. AMA will also conduct efforts to establish a Key Performance Metrics Program which is applied throughout the enterprise to aid in both data governance and a standards based approach to business processes. AMA will also seek to establish a Standards Body within the AMA and procure business modeling tools which will allow for the formal development of business models in notational formats relating to MITA maturity levels of 3 and greater within the Seven Conditions capabilities matrices.

F. Alabama Medicaid Goals and Objectives

The following section presents AMA alignment with CMS defined goals and objectives for MITA related projects:

CMS Goal or Objective	Alabama “To-Be” Vision
Customer experience at a high level of service, support, and ease of use.	<ul style="list-style-type: none"> AMA will transition to a model using Regional Care Organizations Consolidated portals will allow for a “no wrong door” approach for beneficiary self-service AMA standardized business rules and definitions allow for greater coordination of benefits AMA will develop a Key Performance Metrics Program
Ease for individuals in exploring information on their health coverage options, and quickly and accurately enrolling them into coverage.	<ul style="list-style-type: none"> Consolidated portals will allow for a “no wrong door” approach for beneficiary self-service Consolidation of portals will allow providers to focus on delivery of care, education, and prevention Waiver processes will be automated
The use of a common or shared eligibility system or service to	<ul style="list-style-type: none"> AMA will seek to implement a transition strategy to unify existing eligibility systems

adjudicate placement for most individuals.	<ul style="list-style-type: none"> • Waiver processes will be automated
The assumption of not needing to operate a “shadow eligibility system” for Medicaid individuals based on whether they were eligible under state rules in effect prior to 2014 or are “newly eligible.”	<ul style="list-style-type: none"> • AMA will seek to implement a transition strategy to unify existing eligibility systems • Waiver processes will be automated
The use of a federal data services hub that will support certain functions and responsibilities of the Exchange, Medicaid, and CHIP.	<ul style="list-style-type: none"> • AMA will utilize formal data management processes for accurate reporting • National standards of exchange will be implemented • AMA will seek to implement a Master Data Management hub • AMA will leverage standard business rules and definitions to promote data sharing • The HIE will allow access to patient information including clinical data
The generation of data in support of performance management, public transparency, policy analysis, program integrity, and program evaluation.	<ul style="list-style-type: none"> • AMA will increasingly align with MITA both technically and functionally • AMA will seek to implement a Master Data Management hub • AMA will develop Conceptual and Logical Data Models • AMA will leverage standard business rules and definitions to promote leverage and reuse of technologies within the state • Key Performance Metrics will be actively and centrally managed • AMA uses formal data models to support interoperability and system modularity

Table 11 CMS Defined Goals and Objectives with Key Alabama Projects

III. Project Management Plan

The MITA Project Management Plan Section summarizes how AMA plans to operationalize the “To-Be” state of the Medicaid Enterprise environment. The section describes project planning and how the SMA will conduct the activities for planning as well as the schedules and milestones for completion of key events.

A. Alabama Project Management Office

AMA currently has a Portfolio Management Office (PMO) which will provide support during the procurement phases of implementing the Alabama MITA Roadmap. The PMO works with the individual Agency areas in developing a procurement timeline, identification of and routing through the approval process, and assisting with the evaluation process. The PMO will bear primary responsibility for the development of procurement requests throughout the five year horizon of the MITA Roadmap.

To support the Alabama MITA Roadmap; enhanced functionality, responsibility, and authority will need to be granted to the existing PMO office. The implementation of the initiatives identified in the Roadmap will require the assistance and expertise of an expanded and fully integrated PMO. Alabama should consider growth of the current PMO structure with additional duties of selecting, prioritizing, resourcing, and reviewing continuous viability of projects. Additional staff and resources would be necessary to augment the work currently being done with a focus on the technical skill sets which will be required for a successful implementation.

An expanded PMO would be responsible for all aspects of identifying, procuring, implementing, and assisting with the management of the MITA identified projects. Utilizing an enhanced PMO with a technical focus will allow the Agency to align resources, skill sets, and coordinate schedules and milestones.

B. Current MITA Enabling Projects

The AMA vision is to streamline the eligibility and enrollment process and improve user experiences, thereby becoming a model for enterprise level transformation, modernization, and interoperability for Eligibility and Enrollment systems, MMIS, and Health Information Technology (HIT) based on the current MITA framework. The following efforts are currently underway in Alabama and will facilitate higher levels of MITA maturity and advancement toward full compliance with the Seven Conditions.

Regional Care Organizations (RCO)

State legislation passed in 2013, and updated in 2014, created the new managed care structure using RCOs to enable Medicaid to move away from a volume based, fee-for-service environment to a payment system that incentivizes the delivery of quality health care and improved health outcomes. Under the new structure, AMA will enter into contracts with RCOs to provide certain covered services for Medicaid patients at a set cost. The new system of care is based on a recommendation from the Alabama Medicaid Advisory Commission, created by Governor Robert Bentley in October of 2012, to address ways to improve Medicaid's financial stability while also providing high-quality patient care.

Most physical and behavioral health services now covered by Medicaid will be RCO-covered services as well. Some of the services to be covered by RCOs include hospital inpatient and outpatient care, emergency room services, primary and specialty medical care, services provided by a federally qualified health center or rural health clinic, lab and radiology services, mental/behavioral health, eye care, maternity care, and transportation. Excluded services are home and community based waiver services (HCBS), targeted case management, nursing home care, pharmacy services, dental care, and school based services.

Approximately two-thirds of the Agency's recipients, or about 650,000 Alabama citizens, will receive their care via RCOs. Covered populations include aged, blind, and disabled recipients, pregnant women and children under age 19 (formerly known as SOBRA recipients), and parent/caretaker relatives (formerly known as Medicaid for Low Income Families). Foster children, people who have both Medicare and Medicaid, and those recipients who reside in a nursing facility or receive long term care services and supports such as HCBS waiver services, will continue to receive care via the current fee-for-service system.

Integrated Care Networks

State legislation passed in 2015 established a competitively bid, Integrated Care Network (ICN) program to provide long term care (LTC) services to Medicaid recipients. Patterned after the RCO legislation, the new law creates a provider organized, at risk system that is to begin no later than October 1, 2018, which will shift the financial risk from taxpayers to private investors. It provides seats on the governing and advisory boards for interested stakeholders and beneficiary representatives. The legislation gives Medicaid the authority and flexibility it needs to set standards and oversee implementation.

Key points of the legislation include allowing Medicaid's discretion to determine both the number of ICNs necessary to serve the LTC population and the class of beneficiaries to be served. Other highlights of the legislation driving the need for Medicaid transformation include

capitated payments to ICNs, any willing Medicaid provider contracting requirements, and the need for Medicaid to oversee all of the ICN's activities.

Centralized Alabama Recipient Eligibility System (CARES)

In Alabama, Medicaid, the Alabama Department of Public Health (ADPH), Department of Human Resources (DHR), and the Governor's Office of Information Technology (OIT) are building a new eligibility and enrollment system. The system will allow Alabama to create a single coordinated set of rules to determine eligibility via an eligibility rules engine. This will also improve the State's program evaluation efforts and performance management reporting capabilities.

Medicaid's goals in implementing this IT solution are to support a first class, 21st century customer and partner experience, as well as seamless coordination between Medicaid, CHIP, and the DHR programs included. More specifically, the State is seeking to:

- Provide the same customer experience to all individuals seeking coverage, regardless of source or amount of subsidy for which they may qualify, or the 'door' through which they enter
- Permit real time eligibility determination, routing, and enrollment whenever feasible, and for all individuals, a timely and responsive resolution process
- Extract the business rules out of multiple aging eligibility systems in order to share those, along with the Modified Adjusted Gross Income (MAGI) rules, in a central repository that is more dynamic and flexible
- Implement a common system complemented with a high level of integration to avoid duplication of costs, processes, data, and effort on the part of the State and beneficiaries
- Leverage the federal approach provided by the Federal Hub for verification from federal agencies such as the Internal Revenue Service, Department of Health and Human Services, and Department of Homeland Security to avoid the independent establishment of those interfaces and connections at the State level

C. Proposed MITA Enabling Projects and Procurement Activities

The following section defines recommended projects, timeframes, and milestones for implementation of the AMA MITA 3.0 Roadmap

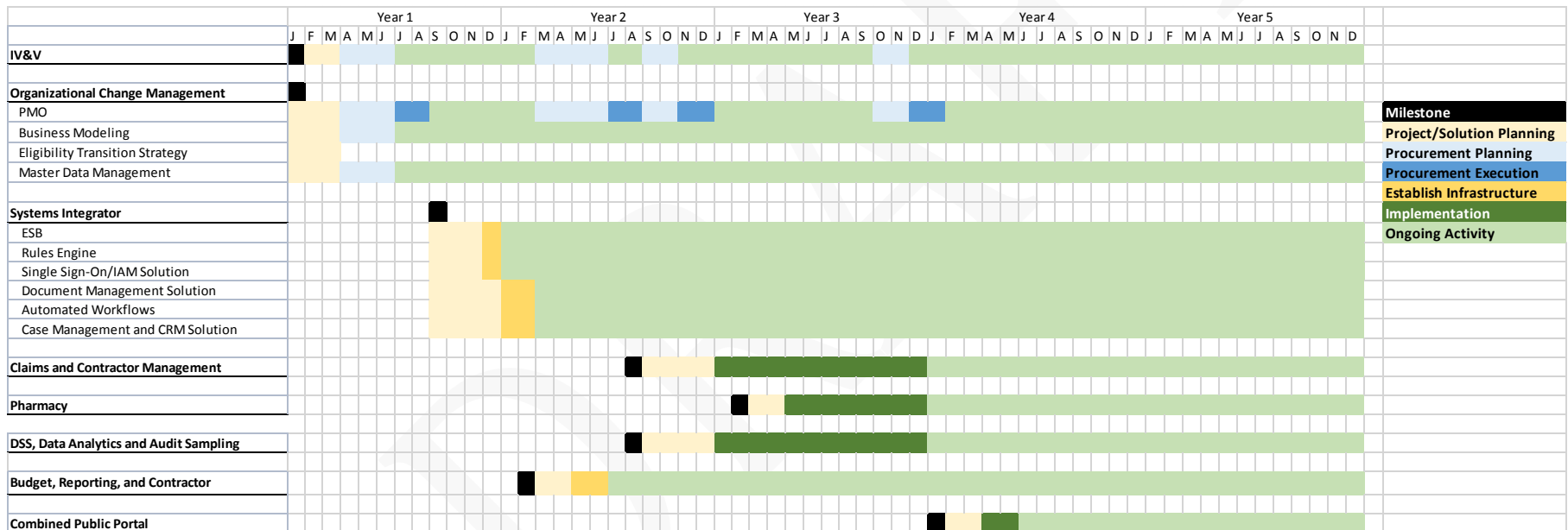
Overall Strategy

The vision for Alabama is to create a modularized systems architecture which is fully compliant with the CMS defined MITA requirements and Seven Conditions. Alabama will initially establish planning functions such as the IV&V and Organizational Change Management (OCM) vendors. The OCM vendor will work with the PMO, perform modeling of existing and new processes, review the transition strategy for the new eligibility system, and establish Master Data Management governance and practices, as well as implement an enterprise technical data solution. The PMO, as well as IV&V and OCM vendors, will help plan procurements, and the OCM vendor will assist state procurement resources in RFP publishing and vendor selection processes.

Once both the IV&V and OCM vendors are on board, the work to develop the RFP for the Systems Integrator (SI) procurement can begin. The estimated effort will take three months followed by a two month active procurement period.

The SI will establish a technical infrastructure including enterprise tools such as the Enterprise Service Bus (ESB), Rules Engine, Single Sign-On/Identity and Access Management (IAM) Solution, Workflow engine, and the Case Management/CRM system. In addition, the SI will establish standards for integration and use of a Service Oriented Architecture (SOA). The SI vendor will also approve the integration requirements for all systems procurements that have an integration component. While the SI is taking initial steps to establish the integration environment, planning for the Claims Processing and Contractor Management procurement will begin followed by the Pharmacy, Financial, Public Portal, and Data Analytics and Audit Sampling solutions.

Figure 1 Projected Timeline for AMA MITA Projects



IV&V

IV&V costs will fluctuate throughout the Roadmap time period, based on the series of projects. Peak loads occur when projects are active and hitting important milestones such as planning, requirements verification, test case development, testing, and close-out. The IV&V function will be needed for all projects, so the selected vendor will be in place for the entire five year planning horizon.

Organizational Change Management (OCM)

The OCM vendor will bring a mix of tools and knowledge to help the agency establish an active practice of modeling business processes. The work involves the selection of tools for authoring business processes in a standard way that can be leveraged by the AMA or sister agencies around the country. The OCM vendor will also serve as the PMO for the entire modernization effort. That effort includes all aspects of all projects and planning and execution of procurements. The OCM vendor will also review the migration plan to the new eligibility system within the first six weeks of the project start date.

Systems Integrator

The SI vendor will be responsible for establishing the technical environment for integration, enterprise services, and technical governance. The SI will, with the input of the state and other vendors, establish standards, protocols, methods, and techniques to allow for a highly modular environment to deliver a seamless user experience. The effort requires the establishment of an Enterprise Service Bus and associated tools for connectivity, orchestration of backend components into business level services, and support of enterprise functions such as the rules engine, single sign-on, document management, automated workflows, and a generalized Case Management and CRM tool.

Claims and Contractor Management

The Regional Care Organization (RCO) care model in Alabama allows providers to band together to form health delivery organizations. These organizations will use this solution to process their claims and encounters. One of the main goals in Alabama is to implement a modularized Technical Architecture. The solution must be multi-tenant to allow all RCOs plus Medicaid Fee-For-Service claims to be processed independently.

Pharmacy System

The Pharmacy system processes claims in real time being submitted by pharmacies across Alabama. After the Claims Processing and Contractor Management system is in place, work will begin on a new pharmacy system. Goals for the new system are better modularity, leverage of enterprise reporting assets, and proper financial management.

Decision Support System, Data Analytics, and Audit Sampling

The DSS and analytics solution will provide AMA with the ability to perform advanced analytics and auditing in support of programs to improve health outcomes. The system will allow the agency to accurately analyze the dynamics of policy changes, evaluate provider performance, and identify populations and disease states for targeted intervention.

Budget, Reporting, and Contractor Management

This module of the new Alabama Medicaid Enterprise augments the existing STARS system and brings automation and control to the financial management aspect of the agency. The work is currently performed manually and is not always consistent across the agency. The new system will improve communications, reduce delays, and improve the agency's ability to manage its finances in real time.

Combined Public Portal

The portal component provides the User Interface for all functions being performed or accessed by individuals that are not state staff, particularly partners and patients. This provides a one-stop shop for all interactions with the agency. The portal will access data from other systems, particularly the claims processing, pharmacy, and eligibility systems.

IV. Proposed Project Budget

As defined by CMS, the following section describes the resource needs for which AMA is requesting funding support. These needs may relate to personnel costs, resources, and contractor costs for staff, equipment, facilities, travel, outreach, and training. The following table depicts projects in order of precedence, and includes estimates for cost components:

No.	Project	Est. DDI Cost	Component Note(s)
1	IV&V	\$10-15,000,000	Independent Verification and Validation services will be needed throughout the MITA Roadmap implementation
2	Organizational Change Management & Master Data Management	\$17-23,000,000	Expansion of Project Management Office; Development of Key Performance Indicators; Business Modeling Tools; Eligibility Transition Strategy; Data Governance activities
3	Systems Integrator	\$40-45,000,000	Enterprise Service Bus; Rules Engine; Single Sign-On; Document Management System; Automated Workflows; Case Management, and CRM Solution
4	Claims/Encounter Processing, Fiscal Agent	\$20-23,000,000	A modularized multi-tenant solution which allows all RCOs plus Medicaid Fee-For-Service claims to be processed independently
5	Pharmacy	\$6-8,000,000	A modularized multi-tenant solution which processes claims in real time being submitted by pharmacies across Alabama
6	DSS, Data Analytics, & Audit Sampling	\$18-20,000,000	A modularized solution which allows for advanced data management and reporting
7	Budget, Reporting, & Contract Management	\$4-7,000,000	Supplements existing financial reporting and administrative systems; utilizes a COTS-first solution for contract management
8	Combined Web Portal Services	\$11-15,000,000	Combines portal access and self-enrollment services for members, providers, and the public

Table 12 AMA Estimated Project Budgets

V. Alabama Medicaid MITA 3.0 and Advanced Planning Document Support

The goals and outcomes desired to achieve increased MITA maturity are fully articulated by AMA, and describe the actions which will be taken to implement “To-Be” improvements and concepts which have been identified in this report. The adoption and implementation of MITA based organizational, technical, and process oriented changes will allow AMA to increase in MITA maturity over the course of the next five and ten year periods. Project descriptions, timelines, and cost estimates included in the Roadmap represent preliminary estimates. As these projects are fully defined and scoped, these estimates will change to support Advance Planning Document submission.